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# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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In the Matter of Equal Access and Interconnection	) CC Docket No. 94-54				
Obligations Pertaining to Commercial Mobile Radio Services	DOCKET FILE COPY ORIGINAL				
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Reply Comments of SNET Cellular, Inc.					

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#### SUMMARY

In its initial comments, SNET Cellular, Inc. ("SNET Cellular") urged that the Commission be guided in this proceeding by application of three general principles. The comments of the parties demonstrate that these principles, which have formed the cornerstone of the Commission's wireless policies in general, are equally applicable to the interconnection and resale issues posed in the *Second Notice*.

(1) To assure the continued vigorous growth and development of the nationwide wireless market, regulatory parity must exist for all CMRS carriers.

The comments demonstrate that, consistent with the Budget Act and the Commission's Second Report and Order, regulatory parity must exist for all CMRS carriers in order to assure the vigorous growth of the wireless market. The Commission should ignore self-serving comments that urge it to impose regulatory requirements on some CMRS carriers but not on the commenter's own segment of the market.

(2) In the competitive wireless environment nationwide, the marketplace, and not a regulatory mandate, is the most appropriate and effective means of assuring continued growth and development of new and innovative wireless services.

As the Commission has recently concluded with respect to rate regulation, competition in the wireless industry will assure that the marketplace, without burdensome or restrictive regulation, will spur continued growth and development of new and innovative services. The comments support extension of this finding to analysis of the issues posed by the Commission in this proceeding:

(a) The presence of at least two facilities-based wireless competitors mitigates, if not eliminates altogether, the need for a "start-up" resale obligation for new CMRS licensees. If adopted, such an obligation should be limited to 18 months.

SNET Cellular and several other commenters are confident that the current competitive market appropriately replaces the need for any start-up resale mandate among facilities-based CMRS carriers. To the extent that the Commission determines to adopt a requirement similar to that imposed earlier on cellular wireline licensees, however, it should be limited to 18 months and should apply to all operational CMRS licensees. That period represents an appropriate balance to permit new entrants a reasonable "jump start" prior to network operation without placing costly obligations on underlying carriers to build out network capacity for short term network demand or providing a disincentive for new entrants to construct their networks promptly.

(b) CMRS-to-CMRS interconnection obligations should not be imposed.

The competitive conditions in the CMRS market, the statutory rights and obligations of CMRS providers, and the policy guidelines set forth in the Commission's Second Notice will serve to encourage private negotiations and arrangements for interconnection without the need for regulatory intervention.

(c) The Commission also should not impose a mandate that CMRS carriers interconnect with reseller switches.

CMRS carriers should not be required to reconfigure their networks to interconnect with reseller switches. Competition in the wireless market will provide the appropriate incentive for carriers to consider reseller switch proposals. Moreover, such proposals have not, to date, been shown to be technically feasible and, even if technical obstacles

can be overcome, implementation could result in duplication of facilities and functions, thereby eliminating or superseding any cost savings to both the carrier and the reseller.

(d) The Commission should preclude inconsistent state interconnection requirements.

The multitude of divergent state regulations that would result if states are permitted to adopt their own interconnection regulations would impede the federal goal of a seamless national wireless network, as well as impose costs on CMRS providers that would be forced to redesign their regional systems to meet state regulations.

(3) Complex technical numbering issues should be resolved on an industry-wide basis and not in the context of a CMRS proceeding.

It is inappropriate, if not impossible, to resolve in this CMRS proceeding the significant industry-wide technical issues surrounding number portability. Numbers already assigned to CMRS carriers and individual resellers cannot become "portable" absent significant technical changes to the telephone network. Adoption of a policy requiring assignment of blocks of 10,000 numbers to resellers for new customers would be highly inefficient in light of the scarcity of number resources nationwide. In addition, this type of number portability, which permits reseller but not necessarily end user control, could lead to end user "slamming" complaints such as have been experienced in the interexchange market. It would be premature for the Commission to adopt number portability rules and policies outside the context of the Commission's industry-wide proceedings.

#### BEFORE THE FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554



In the Matter of Interconnection and Resale Obligations Pertaining to Commercial Mobile Radio Services	) ) )	CC Docket No. 94-54					
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Reply Comments of SNET Cellular, Inc.							

SNET Cellular, Inc. ("SNET Cellular"), hereby files its Reply Comments to respond to certain comments filed with the Commission on June 14, 1995, in the above-referenced proceeding. In its initial comments, SNET Cellular generally agreed with the Commission's carefully considered proposed conclusions. It is critical to the burgeoning competition and continued explosive growth in the wireless industry that the Commission carefully circumscribe its regulation to the minimum necessary, and that it permit CMRS companies to base their operational and marketing decisions on sound business

judgment and analysis and not regulatory mandates. SNET Cellular suggests that the Commission's tentative conclusions are consistent with several important policy principles:

- (1) In order to assure the most vigorous growth and development of the nationwide wireless market, regulatory parity must exist for all CMRS carriers:
- (2) In the competitive wireless environment nationwide, competition, and not regulation, is the most appropriate and effective means of assuring continued growth and development of new and innovative services; and
- (3) Complex technical numbering issues should be resolved on an industrywide basis and not in the context of a CMRS proceeding.

Based upon these principles, the Commission's *Second Notice*<sup>1/</sup> correctly concluded that the Commission need not prejudge the economic and technical judgment of individual industry carriers by imposing a regulatory mandate for interconnection, either between CMRS carriers' networks or between CMRS carriers and reseller switches. SNET Cellular submits that the comments demonstrate that, if the Commission also applies these same principles to other issues raised in the *Second Notice*, it will also (1) reject self-serving arguments that certain regulatory obligations should be imposed on cellular carriers but not on other CMRS carriers; (2) preempt inconsistent state regulations which would impose interconnection obligations on CMRS carriers; and (3) not adopt number transferability rules and policies in this CMRS proceeding prior to the resolution of complex industry-wide technical issues and a thorough investigation of the

In re Interconnection and Resale Obligations Pertaining to Commercial Mobile Radio Services, CC Docket No. 94-54, FCC 95-149, Second Notice of Proposed Rule Making (released Apr. 20, 1995) ("Second Notice").

rules and regulations necessary to protect the choices made by wireless consumers with respect to their preferred carrier.

I. IN ORDER TO ASSURE THE MOST VIGOROUS GROWTH AND DEVELOPMENT OF THE NATIONWIDE WIRELESS MARKET, REGULATORY PARITY MUST EXIST FOR ALL CMRS CARRIERS.

With the exception of the self-serving comments filed by several parties, most of the commenters, and SNET Cellular, agree with the Congress<sup>2/</sup> and the Commission<sup>3/</sup> that any rules adopted for CMRS licensees should apply to all such licensees. The Commission should therefore reject any of the comments which urge that regulatory requirements or obligations be imposed on some CMRS carriers but not on their own particular segment of the market. Thus, for example, comments which urge that the Commission impose resale obligations only on cellular carriers,<sup>4/</sup> or which would have the Commission issue a mandate that cellular carriers, but not other CMRS licensees, must interconnect their networks to reseller switches,<sup>5/</sup> should be rejected as self-serving and inconsistent with the Commission's and Congress' stated goal of establishing regulatory parity in a burgeoning competitive market.

Omnibus Reconciliation Act of 1993, § 332(c), Pub. L. No. 103-66, 107 Stat. 312, 393 (1993).

<sup>&</sup>lt;sup>3/</sup> See, e.g., Implementation of Sections 3(n) and 332 of the Communications Act, Regulatory Treatment of Mobile Services, GN Docket No. 93-252, Second Report and Order, 9 FCC Rcd. 1411, 1418 (1994).

See, e.g., Comments of Pacific Telesis Mobile Services & Pacific Bell Mobile Services at 7-9, filed June 14, 1995.

See, e.g., Comments of Time Warner Telecommunications at 14-15, filed June 14, 1995 ("Time Warner Comments").

# II. IN THE COMPETITIVE WIRELESS ENVIRONMENT NATIONWIDE, COMPETITION, NOT REGULATION, IS THE MOST APPROPRIATE AND EFFECTIVE MEANS OF ASSURING CONTINUED GROWTH AND DEVELOPMENT OF NEW AND INNOVATIVE SERVICES.

Not only must regulation be applied equally in order to permit competition to spur the development of a nationwide wireless infrastructure, regulation must also take into account the Commission's correct conclusion that the wireless industry is competitive. Competition, and not regulation, is the most appropriate and desirable means of assuring continued growth and development of new and innovative services. To that end, the Commission's proposed conclusions correctly reject proposals which would have the Commission, and not the marketplace, make economic and technical business judgments as to the way in which CMRS licensees interact with their competitors. Similarly, the Commission is correct in rejecting suggestions that it should mandate CMRS interconnection with resellers — the so-called "reseller switch" proposal.

## A. CMRS-to-CMRS Resale Obligations Should Be Limited To 18 Months.

As the comments demonstrate, any "start-up" resale requirements must balance the interest in "jump-starting" new CMRS entrants against the substantial burdens placed on the underlying carrier's capacity planning and network investment and the risk that such a "start-up" policy would serve as a disincentive to rapid new network deployment. Clearly, depending upon their vantage point in the market, there is divergence among the commenters as to the appropriate result of this analysis.<sup>6</sup> For example, noting that,

<sup>&</sup>lt;sup>6</sup> Compare Comments of LDDS Worldcom at 3-6, filed June 14, 1995 (advocating unlimited resale obligations for CMRS providers) with Comments of Nextel Communications, Inc. at 8-9, filed June 14, 1995 ("Nextel Comments") (advocating that

unlike the early days of cellular deployment, there are now at least two active CMRS licensees in each market, a number of commenters assert that the need for a Commission-mandated start-up window for new carriers has been eliminated.<sup>7</sup> Another, however, goes so far as to urge that the Commission double the cellular window to impose a resale obligation for 10 years. 8/ SNET Cellular submits that, while it agrees with those commenters who believe that the current competitive market would appropriately serve to replace the need for any start-up resale mandate, a review of the divergent opinions and a careful balancing of the various factors supports the imposition of an 18 month window as initially proposed by AT&T and SNET Cellular.91 That period extends beyond the initial construction period for most CMRS services and represents an appropriate balance which would permit new entrants a reasonable period to "jump start" their services prior to network operation without placing an overly costly and burdensome obligation on the underlying carriers to build out network capacity to serve short term network demand. In addition, this reasonable period would not have the detrimental effect of providing a disincentive for new entrants to deploy rapidly their own fully operational networks.

the imposition of any resale obligations on CMRS providers is unnecessary).

See, e.g., Comments of AirTouch Communications, Inc. at 16, filed June 14, 1995 ("AirTouch Comments"); Nextel Comments at 8-9; Comments of MobileMedia Communications, Inc. at 7, filed June 14, 1995.

<sup>&</sup>quot;Comments of Sprint Telecommunications Venture at 9-10, filed June 14, 1995, ("Sprint Venture Comments").

Comments of SNET Cellular, Inc. at 17, filed June 14, 1995 ("SNET Cellular Comments"); Comments of AT&T Corporation at 28, filed June 14, 1995 ("AT&T Comments").

## B. The Commission Correctly Rejected A CMRS-to-CMRS Interconnection Mandate.

As noted in its initial comments, SNET Cellular strongly supports the Commission's tentative conclusion not to adopt any mandatory interconnection obligations between and among facilities-based CMRS carriers. <sup>107</sup> In its *Second Notice*, the Commission tentatively concluded that it was not necessary to impose a general interconnection obligation on CMRS carriers for the following reasons: (1) the rapidly changing technologies being employed by the CMRS industry in its early stages of development renders any decision on interconnection requirements speculative and premature; (2) all CMRS end users can currently interconnect with users of any other network through the LEC landline network; and (3) present market conditions do not foster anti-competitive behavior on the part of CMRS carriers. <sup>117</sup> Based on these factors, the Commission appropriately leaves the decision of interconnection to the "business judgment of the carriers themselves."

The majority of commenters agree with the Commission's tentative conclusion not to adopt a mandatory CMRS interconnection requirement at this time. 13/ As pointed

<sup>&</sup>lt;sup>10/</sup> SNET Cellular Comments at 10.

<sup>&</sup>lt;sup>11</sup> Second Notice at 16-20, paras. 28-37.

<sup>12/</sup> Id. at 19-20, para. 37.

See, e.g., Comments of ALLTEL Mobile Communications, Inc. at 2-3, filed June 14, 1995 ("ALLTEL Comments"); Comments of Ameritech at 3-5, filed June 14, 1995 ("Ameritech Comments"); Comments of Bell Atlantic Mobile Systems, Inc. at 3-6, filed June 14, 1995 ("BAMS Comments"); Comments of BellSouth at 2-3, filed June 14, 1995 ("BellSouth Comments"); Comments of GTE Service Corporation at 5-6, filed June 14, 1995 ("GTE Comments"); Comments of National Telephone Cooperative Association at 1-4, filed June 14, 1995 ("NTCA Comments"); Comments of NYNEX Companies at 2-6,

out by several of the commenters, the CMRS market is sufficiently competitive to ensure CMRS interconnection where it is technically and economically feasible. As noted by Vanguard, regulatory intervention is not necessary because carriers will negotiate interconnection arrangements where mobile traffic and usage so justify. NYNEX points out that "there is no basis for any concern that market-driven, private interconnection agreements between CMRS providers would somehow fail to emerge . . . . [wlireless customers demand the ability to be reached anywhere, anytime." 16/

The Commission recognizes that competitive market forces will drive the development of private interconnection agreements and thus, in lieu of imposing mandatory interconnection requirements on CMRS providers, the Commission appropriately focuses on the statutory rights and obligations under which all CMRS

filed June 14, 1995 ("NYNEX Comments"); AirTouch Comments at 2-3.

See, e.g., ALLTEL Comments at 2; NYNEX Comments at 2-4; AirTouch Comments at 2-3; Comments of Horizon Cellular Telephone Company at 3, filed June 14, 1995; Comments of New Par at 2, filed June 14, 1995 ("New Par Comments"); Comments of Rural Cellular Coalition at 2-3, filed June 14, 1995 ("Rural Cellular Comments"); Comments of Vanguard Cellular Systems, Inc. at 4, filed June 14, 1995 ("Vanguard Comments").

<sup>&</sup>lt;sup>15/</sup> Vanguard Comments at 4.

<sup>&</sup>lt;sup>16/</sup> NYNEX Comments at 4.

providers are expected to operate, <sup>17/</sup> and sets forth reasonable policy guidelines for determining interconnection obligations and monitoring interconnection requests. <sup>18/</sup> The competitive market conditions in the CMRS market, the statutory rights and obligations of CMRS providers, as well as the policy guidelines set forth in the *Second Notice*, will serve to encourage private negotiations and arrangements for interconnection without the need for regulatory intervention. Therefore, SNET Cellular strongly urges the Commission to adopt its proposed conclusion that there is no need to impose interconnection obligations on CMRS providers.

The relevant statutory provisions to which CMRS providers are subject include: (1) Section 201(a) requirement to provide communications service upon reasonable request; (2) Section 201(a) establishment of physical connections where the Commission has determined that it is in the public interest; (3) Section 201(b) prohibition on unjust and unreasonable charges, practices, classifications and regulations; (4) Section 202(a) prohibition on unjust and unreasonable discrimination in charges, practices, classifications, regulations, facilities, or services; and (5) the Section 208 complaint process. Second Notice at 20-21, paras. 38-40.

The policy guidelines set forth by the Commission include: (1) the use of a market power analysis to determine whether specific interconnection obligations are in the public interest; (2) consideration of public policy goals, *i.e.*, broad access to "information superhighway," to determine interconnection obligations in absence of market power; (3) close monitoring of the number and nature of interconnection-related requests and complaints; (4) close monitoring of the development of the CMRS marketplace and any emergence of market power; and (5) enforcement action against CMRS providers that refuse a reasonable request for interconnection, particularly where anti-competitive behavior is evident. Second Notice at 21-23, paras. 41-44.

## C. The Commission Also Correctly Rejected A Reseller Switch Interconnection Mandate.

The Commission also correctly determined not to impose a requirement that CMRS carriers reconfigure their networks to interconnect with reseller switches. Despite efforts by proponents to imply that interconnecting a reseller switch is a simple matter akin to attaching a piece of customer premises equipment onto the wireless network, the comments demonstrate overwhelmingly that the proposal raises very difficult technical issues the resolution of which, in addition, may differ depending upon a particular carrier's network and equipment. Moreover, even if the technical issues can be overcome, implementation could actually result in a substantial duplication of facilities and functions, thereby eliminating and possibly even overtaking any cost savings to both the carrier and the reseller. And, questions as to whether service quality to end users would be impaired have similarly not been answered.

Despite these unanswered questions, one commenter supporting an industry-wide reseller switch mandate, Connecticut Telephone and Communication Systems, Inc., asks the Commission to adopt a blanket reseller switch requirement on the ground that "the Commission can expect to receive an increasing number of interconnection

See, e.g., Comments of Cellular Service, Inc. & ComTech Mobile Telephone Co. at 5, filed June 14, 1995 ("CSI/ComTech Comments"); Comments of The Telecommunications Resellers Association at 29-30, filed June 14, 1995 ("TRA Comments").

<sup>&</sup>lt;sup>20/</sup> See, e.g., AT&T Comments at 5, 28-31.

<sup>&</sup>lt;sup>21</sup> See, e.g., GTE Comments at 24-26; AirTouch Comments at 19-20; AT&T Comments at 30-31.

See, e.g., AT&T Comments at 30-31.

complaints" from multitudes of resellers whose carriers have unreasonably denied them interconnection. In support, Connecticut Telephone recounts its interconnection request to Springwich Cellular Limited Partnership ("Springwich"), a SNET Cellular affiliate. Far from justifying an interconnection mandate, however, Connecticut Telephone's request to Springwich illustrates the inappropriateness of any such blanket Commission action. A careful reading of the Connecticut Telephone Comments demonstrates that Springwich has *not* refused, unreasonably or otherwise, Connecticut Telephone's request. Instead, Springwich has indicated to Connecticut Telephone its willingness to consider the proposal, has made considerable efforts to understand and evaluate it, and has solicited additional information from Connecticut Telephone to enable a productive dialogue to continue.

Although Connecticut Telephone has not yet developed sufficient information to enable Springwich to evaluate fully the feasibility of its proposal, and has certainly not been "stymied by the lack of cooperation from [Springwich]" or been "trammeled" by it, Connecticut Telephone nevertheless asks that the Commission impose a blanket interconnection mandate on Springwich and all other CMRS carriers.<sup>25/</sup> Connecticut Telephone's argument is based upon the mistaken premise that, contrary to the

Comments of Connecticut Telephone and Communication Systems, Inc. at 6-7, filed June 14, 1995 ("Connecticut Telephone Comments").

SNET Cellular is the parent company of SNET Springwich, Inc., the general partner in the Springwich partnership.

Connecticut Telephone Comments at 8. As to the feasibility of its proposal, Connecticut Telephone simply asks that the Commission take it on faith, without any explanation whatsoever, that "switch-based resale is neither technically infeasible nor economically unreasonable." Connecticut Telephone Comments at 8 n.13.

Commission's conclusion, competition will not spur CMRS carriers to evaluate interconnection requests or to adopt any such proposals which are technically feasible and would be cost effective. Far from supporting Connecticut Telephone's argument, however, Springwich's effort to consider the proposal and to seek essential additional information from which to evaluate the request is *precisely* the effort and analysis which is to be expected in the competitive wireless marketplace and upon which the Commission based its proposed conclusion not to adopt an interconnection mandate. Indeed, if the consideration of Connecticut Telephone's request has been "stymied," that condition has resulted from its own failure to provide Springwich with what the National Wireless Resellers Association ("NWRA") has told the Commission should be the requesting reseller's responsibility -- "to describe with particularity the proposed arrangement."

The type of clarification and technical information requested by Springwich are essential to its ability to evaluate the Connecticut Telephone proposal. For example, Springwich to date has not received a complete, or even a consistent, description of the services which Connecticut Telephone proposes to provide through its switch.<sup>27/</sup> Nor,

Comments of the National Wireless Resellers Association, at Exhibit A, filed June 14, 1995 ("NWRA Comments").

For example, Connecticut Telephone's initial proposal appeared to propose that its switch would undertake many of the switching and other functions currently handled by Springwich for both home and roamer users of its network. Yet, in a subsequent letter purporting to respond to questions raised by Springwich, Connecticut Telephone indicated that the interconnection contemplated would simply entail an arrangement whereby Springwich's switches "would treat our customers just like roaming calls are currently identified and treated." In a roaming scenario, however, the Springwich network performs a validation query to the roamer's home carrier, and then takes over

to date, does Springwich have even the most basic information as to the type of switch Connecticut Telephone intends to use, let alone its technical capabilities and specifications with respect to interconnection, customer information routing, IS-41 interoperability, and the like. Accordingly, Springwich has not been able to undertake the comprehensive evaluation needed to assess the technical feasibility or the economic impact of the Connecticut Telephone proposal. Springwich's request for a complete explanation of the proposal and its technical specifications, which merely seeks the information conceded by NWRA to be the obligation of the reseller, in no way supports Connecticut Telephone's claim that Commission action is required.<sup>287</sup>

SNET Cellular also notes that Springwich is not alone in proving the appropriateness of the Commission's reliance on the marketplace, instead of regulators, to best determine whether interconnection is feasible. In the July 3, 1995, issue of *Telecommunications Reports*, it was reported that MCI, which is acquiring the nation's

all of the call handling functions in place of the home switch.

<sup>28/</sup> Connecticut Telephone also criticizes the time taken by Springwich to respond to its requests. Connecticut Telephone Comments at 7-8. SNET Cellular submits that Springwich's response could have been more complete, and possibly have taken less time, had Connecticut Telephone "described with particularity the proposed arrangement," NWRA Comments at Exhibit A, rather than leaving it to Springwich to make sense of out of Connecticut Telephone's inconsistent description of the proposal and to guess at its technical specifications. As Connecticut Telephone's Comments indicate, Springwich's response to the company's initial request asked for additional detail to help it understand the nature of the request and its technical specifications. Connecticut Telephone responded to that request for technical specifications with extremely general information. Having still received insufficient information. Springwich attempted to understand as best it could given the inconsistencies in what little information had been provided and the lack of any technical detail. Ultimately, however, that effort proved futile, and Springwich has again asked that Connecticut Telephone provide adequate detail as to its proposal.

largest cellular reseller, has engaged in discussions with each of the seven Bell companies to arrange interconnection for its new cellular resale operations; that those negotiations are "moving along pretty well;" and that MCI hopes to have agreements in place before the end of 1995 -- hardly an example of cellular carriers acting to "stymie" or "trammel" competitors, as proponents of a Commission interconnection mandate would have the Commission believe.<sup>29/</sup>

#### D. The Commission Should Preclude Inconsistent State Interconnection Mandates.

The comments also overwhelmingly demonstrate that the Commission should preclude state-imposed interconnection obligations that would otherwise undermine the Commission's establishment of a national regulatory policy for CMRS.<sup>307</sup> Indeed, as several of the commenters point out, a policy that is balkanized state-by-state would thwart the national policy objective of development of a national wireless infrastructure.<sup>317</sup> As SNET Cellular and AT&T demonstrated in their comments, imposition of state interconnection requirements would force CMRS providers with a multi-state network architecture to divert significant resources to re-engineering existing networks to construct state-specific facilities.<sup>327</sup> Not only would such a balkanized

<sup>&</sup>lt;sup>29/</sup> Telecommunications Reports, at 42 (July 3, 1995).

See, e.g., BAMS Comments at 6-7; BellSouth Comments at 4-5; GTE Comments at 11-12; Comments of Southwestern Bell Mobile Systems, filed June 14, 1995 ("SWBMS Comments") at 12; AirTouch Comments at 23-26; AT&T Comments at 20-23; CTIA Comments at 16-18; New Par Comments at 17-19; Vanguard Comments at 7.

See, e.g., SWBMS Comments at 12; AT&T Comments at 21-23.

See SNET Cellular Comments at 11-13; AT&T Comments at 20-23.

policy be cost prohibitive, it would also be "fundamentally inconsistent with the goal of a seamless national wireless infrastructure."<sup>33/</sup> Therefore, SNET Cellular urges the Commission to assure that its policies are truly national in scope by precluding state regulation of CMRS interconnection.

# III. COMPLEX TECHNICAL NUMBER PORTABILITY ISSUES SHOULD BE RESOLVED ON AN INDUSTRY-WIDE BASIS AND NOT IN THE CONTEXT OF A CMRS PROCEEDING.

The Commission should not attempt, in the context of this CMRS proceeding, to resolve the significant technical issues surrounding number portability which can only be addressed on an industry-wide basis in both the wireline and wireless settings. 34/ Indeed, just yesterday, on July 13, 1995, the Commission announced that it will consider number portability and number administration issues in new rulemakings to develop a national number policy. Several commenters nevertheless attempt to characterize the implementation of number transferability in the wireless setting as a relatively simple process that the Commission can immediately implement for resellers. 35/ In fact, however, as the comments demonstrate, this is not a simple issue which can be resolved in the context of a wireless proceeding.

First, as NWRA seems to understand, there is no current way for already assigned numbers to become "portable" absent a substantial overhaul to the public switched

<sup>&</sup>lt;sup>33/</sup> AT&T Comments at 21.

<sup>&</sup>lt;sup>34/</sup> See SNET Cellular Comments at 18-19.

NWRA Comments at 18-19; Time Warner Comments at 17-18.

telephone network, both as to wireline and wireless numbers. Typically, numbers have been assigned to CMRS carriers in blocks. In turn, the carriers have distributed those numbers to resellers as needed. The only current means by which telephone numbers can be "transferred" to another carrier would be to transfer the entire 10,000 block. Since a block of 10,000 numbers is typically shared between a number of different resellers, a transfer of the entire block is impossible. Therefore, unless and until there is an industry-wide resolution of the technical number portability issues, and such a solution is implemented, these already-assigned numbers cannot be moved from carrier to carrier in a manner which would enable proper routing of incoming calls from the worldwide telephone network and permit the necessary roaming validation to occur.

Second, some commenters seem to suggest that resellers should be permitted to have blocks of 10,000 number codes assigned to their exclusive use.<sup>377</sup> In light of the extremely scarce nature of number resources nationwide, however, SNET Cellular submits that there should not be any obligation for CMRS carriers to obtain separate blocks of 10,000 numbers for every reseller of its services. At a minimum, the impact of such an inefficient and wasteful use of telephone numbers must be analyzed in the context of the Commission's oversight of industry-wide numbering administration

NWRA notes that any proposal to adopt a number portability policy must be "premised upon the assumption that . . . switched-based resellers will acquire their own NXX codes and be able to deliver the benefits of number transferability through control of such numbers." NWRA Comments at 18 n.12.

See, e.g., SWBMS Comments at 22; Sprint Venture Comments at 20-21.

issues.<sup>36/</sup> And, in considering whether it is appropriate to deploy scarce telephone numbers in this inefficient fashion, the Commission should bear in mind that the number portability proposals raised by NWRA and others are not seeking the "true" number portability for end users that has been the focus of the effort on the wireline side of the industry. In no way would the NWRA proposal permit end users to move their services between carriers except insofar as they remained customers of the same reseller. Instead, as the Second Notice indicates, these parties seek the ability to move entire blocks of users from one carrier to another -- hardly the type of individual end user competitive choice which has led the Commission to urge the development of both interim and "true" number portability with respect to wireline end users.

NWRA's comments analogize the purported benefits of its number portability proposal to the ease with which an end user may switch its long distance carrier.<sup>39/</sup> First of all, the type of carrier change which is possible in the landline network among long distance carriers is not "number portability." Indeed, cellular end users *today* may change their long distance carrier for cellular service in a manner similar to that of their landline telephone and without any number change. NWRA's analogy does, however,

For example, such a policy would require a cellular carrier (or the number administrator) to reserve a block of 10,000 numbers for a new reseller which might ultimately serve only 2,000 customers from that block. In this example, 8,000 numbers would sit idle -- a potential waste of scarce numbers which could be multiplied by the number of resellers in each market. Clearly, such a requirement would exacerbate the already critical number exhaust problems which exist in Connecticut and nationwide, and should not be adopted outside the context of the Commission's overall examination of numbering issues.

<sup>39/</sup> NWRA Comments at 19.

illustrate the dangers of the type of reseller number portability which NWRA supports, since experience in the long distance arena clearly highlights the anger and complaints which are engendered when a consumer's choice of carrier is changed without his or her express knowledge and consent. As SNET Cellular's initial comments pointed out, the type of reseller number portability which is being proposed could, without appropriate safeguards, actually lead to the types of "slamming" complaints that have been experienced when an end user's interexchange carrier has been switched unknowingly. In the wireless area (and particularly with respect to cellular service) the end user has almost always made an informed, affirmative choice of carrier when he or she purchased service, yet in the scenario sought by some parties it would be the reseller, and not the end user, who determines when the block of numbers is switched to another carrier.

For these reasons, once the technical barriers to number portability are resolved throughout the telecommunications network to permit end users to retain their telephone numbers when changing service providers, there must be an informed consideration of the number portability policies and rules which are appropriate to the wireless context. As many commenters agree, this important issue should not be addressed in this proceeding in advance of consideration of the larger industry issues.<sup>407</sup>

See SWBMS Comments at 22; AT&T Comments at 28 n.60; New Par Comments at 23-24; Vanguard Comments at 12 (urging the Commission to address this issue in a general proceeding once the CMRS market becomes more mature).

CONCLUSION

For the foregoing reasons, SNET Cellular urges the Commission to apply

regulatory parity to all CMRS carriers with respect to any rules or regulations it adopts

governing CMRS. SNET Cellular also submits that an 18-month start-up "window" is

appropriate to balance the perceived interest in using resale obligations to "jump start"

new facilities-based CMRS entrants against the countervailing goals of encouraging the

rapid deployment of new CMRS networks and avoiding costs and unnecessary facility

investment for competitors. SNET Cellular also strongly supports adoption of the

Commission's proposed conclusion that it is not in the public interest to mandate

interconnection between CMRS licensees and between CMRS licensees and resellers

at this time, and it urges that the Commission preclude inconsistent state-imposed

interconnection requirements to ensure development of a seamless national wireless

infrastructure. Finally, SNET Cellular suggests that the Commission should not adopt

any policies or regulations governing CMRS number portability until the industry has had

time to develop the necessary technical capabilities and to consider fully the issue.

Respectfully submitted,

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DATED: July 14, 1995

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#### **CERTIFICATE OF SERVICE**

I, Audrey Fortner, do hereby certify that copies of the foregoing Reply Comments of SNET Cellular, Inc., were served on all known parties, including the Federal Communications Commission and Wireless Telecommunications Bureau by either first class mail, postage pre-paid, or by hand this 14th day of July, 1995.

Audrey Former